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EASTERN EUROPEAN INTELLIGENCER OCI #0942/71  
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State Dept. review completed

Tito and Sadat Expected to Meet

Middle Eastern news sources report that President Tito has invited Egyptian President Sadat to hold bilateral talks in order to survey the situation in the Middle East. No date for the meeting has been set. President Sadat, however, dispatched a personal envoy to Tito on the 23rd, presumably to brief the Yugoslav President on the decision to request the withdrawal of Soviet advisors and technicians.

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The Yugoslav press has now shifted its tone in reporting on the Soviet expulsions, from one of a crisis [redacted] to praise for both Cairo and Moscow for the calm and moderate way in which each side has handled the problem. The Zagreb daily, Vjesnik, however, carried a particularly illuminating commentary. By praising Sadat's decision as a reassertion of Egyptian sovereignty and independence, Vjesnik amplified a key aspect of official Yugoslav thinking.

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[redacted]

Hungarian Postpones Middle East Visit

Although a Damascus announcement on 26 July claimed that a sudden setback in Foreign Minister Peter's health has caused the indefinite cancellation of his upcoming trip to Syria, developments in the Moscow-Cairo relationship probably have been a more pressing reason for the postponement. Earlier reporting had placed Cairo on Peter's itinerary. In addition, the move again shows the political utility of retaining a foreign minister who is known to be in bad health.

Meanwhile, a Budapest radio commentary on 25 July optimistically addressed the subject of the Soviet withdrawal from the UAR and rebutted as "premature rejoicing" the "Western press view" that the move signaled an end to Soviet-Egyptian relations. As its proof, the commentary pulled some appropriate quotes from recent Sadat speeches, recited the "many-sided" contributions Moscow had made to the Arab countries, and reaffirmed Soviet support for the Arab cause.

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### Yugoslavs "Liquidate" Last Emigre Terrorists

On 25 July, Croatian security forces "liquidated" the remaining two emigre guerrillas who were part of the terrorist band which attacked security forces in the western portion of Bosnia-Hercegovina on 2 July [REDACTED]

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Officials in Sarajevo, capital of Bosnia-Hercegovina, announced the names of 13 authorities killed in resisting the attack. In making the announcement, the authorities praised the valor and sacrifice of the fallen comrades, as well as the heroism of all who participated in defeating the infiltrators. Republic officials did not miss the opportunity to cite the victory over the terrorists as a demonstration of the value and merit of the "all peoples' defense" system. A warning also was issued about the possibility of new attacks.

Meanwhile, the party weekly, Komunist, renewed warnings to those western nations that allow emigre terrorists to train and operate from their soil. Komunist described the willingness of countries, i.e. Austria, Sweden and West Germany to tolerate these groups, as "incomprehensible, harmful and unacceptable....in interstate relations."

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### Yugoslav Philosophical Journal Banned

A Croatian court has issued a temporary ban on the latest issue of the controversial philosophical journal, Praxis. The periodical has been a bete noire to authorities. As a result, it probably has had more of its editions banned than any other contemporary Yugoslav publication. According to the Yugoslav news service, Tanjug, the magazine has been called to account for arguing that Yugoslavia "lacks a Marxist approach to the solution of social relations and that all progressive ideology based on Marxism is suppressed and that its ideologists are persecuted." Specifically, Praxis cites as proof the plight of a Belgrade University Professor, Mihajlo Djuric, who currently is on trial for writings in which he states Yugoslavia is only a geographic term, nothing more.

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### Hands In the Socialist Till

A widespread scandal involving the embezzlement of enterprise funds has surfaced in Zagreb. Speaking to a gathering of city officials on 25 July, Zagreb city party secretary Marinko Gruic asserted that corruption and

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thievery in local enterprises is "significantly more widespread" than previously thought. He characterized the theft of socialist property as currently one of the "most acute economic and political problems" facing Croatia, and added that it is "not a rare phenomenon for even the workers' council to be corrupt."

Gruic's remarks tend to confirm the recent impressions of a US consulate official returning from Zagreb who indicated that one of the side affects of the Croatian political upheaval last year has been a general decline in the republic's moral fiber. The diplomat cited, in particular, the tendency of previously reputable businessmen, who had prided themselves on their ethics, to adopt both a "me-first" attitude and a willingness to employ whatever means necessary to advance their material well-being. It remains to be seen what tactics the city fathers will employ to fight this corruption.

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NOTE: THE VIEWS EXPRESSED ABOVE REPRESENT  
ONLY THE ANALYSIS OF THE EE BRANCH